

General Certificate of Secondary Education

A243

Applied Business

Unit A243: Working in business

Specimen Paper

Time: 1 hour 30 minutes

Candidates answer on the question paper.

Additional materials:

Candidate
Forename

Candidate
Surname

Centre
Number

--	--	--	--	--

Candidate
Number

--	--	--	--

INSTRUCTIONS TO CANDIDATES

- Write your name in capital letters, your Centre Number and Candidate Number in the boxes above.
- Use black ink. Pencil may be used for graphs and diagrams only.
- Read each answer carefully and make sure you know what you have to do before starting your answer.
- Answer **all** the questions.
- Do not write over the bar codes.
- Do not write outside the box bordering each page.
- Write your answer to each question in the space provided.

INFORMATION FOR CANDIDATES

- The number of marks available is given in brackets [] at the end of each question or part question.
- The total number of marks for this paper is **80**.
- Quality of written communication will be assessed in the question or part question marked with an asterisk (*).

FOR EXAMINER'S USE

1	
2	
3	
4	
5	
TOTAL	

This document consists of **12** printed pages.

[Turn over

Section A

Answer **all** questions.

Text 1

Quickburger Ltd is a fast food restaurant serving burgers, fries, cold and hot drinks. Below are the managers of the functional areas that exist in Quickburger Ltd.

Finance Manager

Marketing and
Sales Manager

Administration &
ICT Manager

Production
Manager

1 Refer to Text 1.

(a) Which manager would be responsible for:

(i) the monitoring of stock levels;

..... [1]

(ii) carrying out research into what customers want;

..... [1]

(iii) the monitoring of budgets.

..... [1]

You are the chief executive of Quickburger Ltd. Your business is good and customer numbers are growing rapidly. You feel the time has come to introduce a functional area which will focus on looking after your customers. This is important to win and retain customers.

(b) State **one** key activity of the chief executive of a business such as Quickburger Ltd.

..... [1]

(c) (i) Which functional area would you introduce into a business such as Quickburger Ltd to look after customers?

..... [1]

- (ii) Identify and describe **two** roles which this functional area would play in a business such as Quickburger Ltd.

Role 1: [1]

Description: [1]

Role 2: [1]

Description: [1]

Working in the Marketing and Sales functional area you are fully aware of the changing trend in consumer tastes and lifestyles. Many fast food restaurants are selling 'healthy' alternatives and you feel that this is an option which Quickburger Ltd should explore in order to stay competitive.

- (d) Below is a list of tasks which you have drawn up to research this option. Put them in the correct order in the space provided. [4]

- Analyse research data.
- Design and produce questionnaire.
- Meet up with Finance functional area to discuss pricing strategies.
- Carry out primary and secondary research.

SEQUENCE

1:
 2:
 3:
 4:

- (e) Identify and explain **one** way in which **each** of the following functional areas can support the Marketing and Sales functional area with this research:

- (i) Production;

Way: [1]

Description: [1]

(ii) Administration and ICT.

Way: [1]

Description: [1]

(f) Identify and explain **one** reason why the support of the Finance functional area should be obtained before this research is undertaken.

Reason: [1]

Explanation: [2]

[Total: 20]

SPECIMEN

Text 2

You are the Marketing and Sales Manager of Quickburger Ltd. Below is a questionnaire you have arranged to be sent to potential customers living in the local area.

FAST FOOD QUESTIONNAIRE

What do you think of your local fast food restaurant?

Please take time to answer the following questions

- how efficient is the service?
- how do you rate the cleanliness of the restaurant?
- how helpful and polite are the staff?

2 Refer to Text 2.

- (a) (i)** Suggest **three** additional questions which could be included as part of this questionnaire.

Question 1: [1]

Question 2: [1]

Question 3: [1]

- (ii)** Identify **two** pieces of information which would be useful to the respondents which are not currently included in the questionnaire

Piece 1: [1]

Piece 2: [1]

- (b) (i)** Suggest **two** other types of market research, other than a postal questionnaire, which Quickburger Ltd could use.

Type 1: [1]

Type 2: [1]

- (ii)** Identify and explain **two** benefits of **one** of the types of market research identified in part (b)(i) to Quickburger Ltd.

Chosen type of market research:

Benefit 1: [1]

Explanation: [1]

Benefit 2: [1]

Explanation: [1]

- (c)** Discuss how the results of the market research could improve the future performance of Quickburger Ltd

..... [10]

[Total: 21]

Text 3

You are working in the Finance functional area of Quickburger Ltd as an accounts clerk.

During 2009, Quickburger Ltd had the following revenues and costs.

	£
• Revenue from sale of burgers	354 000
• Wages	156 000
• Raw materials	54 000
• Overheads	120 000
• Repairs and maintenance	6 600

3 Refer to Text 3.

(a) Complete the following Profit and Loss statement by:

- completing the missing headings indicated as (i) and (ii);
- filling in all the empty boxes.

[7]

**Profit and Loss Statement for Quickburger Ltd
for the year ending 31 December 2009**

	£	£
Revenue		
_____ (i)		
Gross profit		
Wages		
Overheads		
Repairs and maintenance		
_____ (ii)		
Net profit		

- (b) Complete the following cash-flow forecast for Quickburger Ltd, for the period January – March 2010. [3]

	January £	February £	March £
Opening balance	10 500	<input type="text"/>	26 400
Inflows			
Revenue from sale of burgers	27 000	27 000	27 000
Total inflows	27 000	27 000	27 000
Outflows			
Wages	13 000	13 000	13 000
Raw materials	<input type="text"/>	4 500	4 500
Overheads	1 000	1 000	1 000
Repairs and maintenance	550	550	550
Total outflow	19 050	19 050	19 050
Closing balance	18 450	26 400	<input type="text"/>

- (c)** A cash-flow forecast would be helpful to the chief executive of Quickburger Ltd in deciding whether or not to expand the business. Discuss the usefulness of a cash-flow forecast in helping the chief executive to make this decision.

..... [10]

[Total: 20]

Text 4

The customer services which Quickburger Ltd currently provides are:

- seating areas;
- toilets;
- written menus;
- trays.

4 Refer to Text 4.

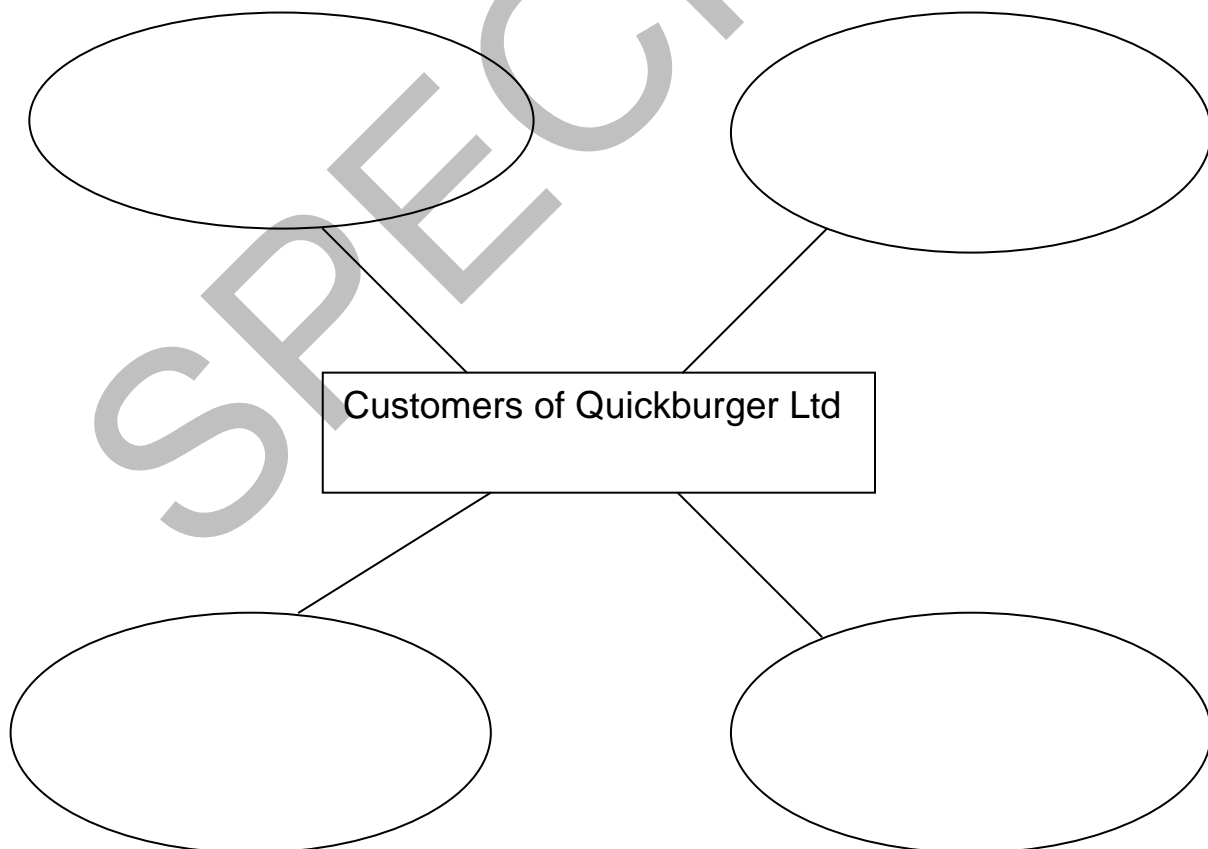
- (a) As a member of staff working in the Customer Service functional area, you feel that customers need more information about the food sold at Quickburger Ltd, other than the menus.

State **two** other examples of information that Quickburger Ltd could provide for its customers.

Example 1: [1]

Example 2: [1]

- (b) You have been asked by your manager to identify **four** ways in which it is possible to improve the customer service in a business such as Quickburger Ltd. Complete the diagram below. [4]



(c) For each customer complaint listed below, other than offering an apology, state how you would deal with the customer as the customer service manager at Quickburger Ltd.

(i) Customer finds a hair in a burger

.....
..... [1]

(ii) Customer complains about the long queues in a Quickburger restaurant

.....
..... [1]

(iii) Customer sends in a written complaint about the quality of service in a Quickburger restaurant

.....
..... [1]

SPECIMEN

(d)* If Quickburger Ltd fails to meet customer expectations, discuss the consequences that this might have on the business.

..... [10]

[10]

[Total: 19]

[Paper Total: 80]

The maximum mark for this paper is 80.

SPECIMEN

Assessment of QWC

In this external unit the assessment of QWC will take place in question **4(d)** which is a level of response mark scheme and carries 10 marks.

Marks are embedded within this mark scheme for assessing the quality of written communication. The following criteria are embedded within the levels of response for question **4(d)**.

Level 4:

Ability to present relevant material in a well planned and logical sequence. Material is clearly structured using appropriate industry terminology confidently and accurately. Sentences, consistently relevant, are well structured in a way which directly answers the question. There will be few, if any, errors of grammar, punctuation and spelling.

[4 marks representing the appropriate level of written communication are embedded in this level of response.]

Level 3:

Ability to present relevant material in a planned and logical sequence. Appropriate industry terminology is used. Sentences, for the most part relevant, are presented in a balanced, logical and coherent manner which addresses the question. There will be occasional errors of grammar, punctuation and spelling.

[3 marks representing the appropriate level of written communication are embedded in this level of response.]

Level 2:

Limited ability to organise relevant material. Some appropriate industry terminology is used. Sentences are not always relevant with materials presented in a way which does not address the question. There may be noticeable errors of grammar, punctuation and spelling.

[2 marks representing the appropriate level of written communication are embedded in this level of response.]

Level 1:

Ability to communicate at least one point using some appropriate industry terminology. Sentences have limited coherence and structure, often being of doubtful relevance to the main focus of the question. Errors of grammar, punctuation and spelling may be noticeable and intrusive.

[1 mark representing the appropriate level of written communication is embedded in this level of response.]

Please note answers which are assessed as a L1, L2 or L3 from the individual mark scheme criteria may be awarded an additional mark for the quality of written communication if the standard is above the embedded criteria for the quality of written communication.

Question Number	Answer	Max Mark
1(a)(i)	<p>Which manager would be responsible for the monitoring of stock levels.</p> <p><i>For one mark.</i></p> <p>Production Manager (1).</p>	[1]
(ii)	<p>Which manager would be responsible for carrying out research into what customers want.</p> <p><i>For one mark.</i></p> <p>Marketing and Sales Manager (1).</p>	[1]
(iii)	<p>Which manager would be responsible for the monitoring of budgets.</p> <p><i>For one mark.</i></p> <p>Finance Manager (1).</p>	[1]
(b)	<p>State one key activity of the chief executive of a business such as Quickburger Ltd.</p> <p><i>For one mark.</i></p> <p>Possible responses may include:</p> <ul style="list-style-type: none"> corporate direction (1); taking part in board meetings (1); set the business plan (1); monitor competitor activity (1). 	[1]
(c)(i)	<p>Which functional area would you introduce in a business such as Quickburger Ltd to look after customers?</p> <p><i>For one mark.</i></p> <p>Customer Service (1).</p>	[1]
(ii)	<p>Identify and describe two roles which this functional area would play in a business such as Quickburger Ltd.</p> <p><i>One mark for each correct identification up to a maximum of two identifications plus an additional one mark for each of two descriptions.</i></p> <p>Possible responses may include:</p> <ul style="list-style-type: none"> • handle customer complaints (1) to provide customers with satisfaction (1); • provide information (1) perhaps to disabled customers who have access problems to the restaurant (1); • give advice (1); • make sure facilities are clean (1). 	[4]

Question Number	Answer	Max Mark
(d)	<p>Below is a list of tasks which you have drawn up to research this option. Put them in the correct order in the boxes provided.</p> <p><i>One mark for each correct identification up to a maximum of four identifications.</i></p> <p>Design and produce questionnaire (1); Carry out primary and secondary research (1); Analyse research data (1); Meet up with Finance functional area to discuss pricing strategies (1).</p>	[4]
(e)(i)	<p>Identify and explain one way in which each of the following functional areas can support the Marketing and Sales functional area with this research.</p> <p>Production:</p> <p><i>One mark for correct identification plus an additional one mark for explanation.</i></p> <p>Possible responses may include: production can explore ways of making the burgers(1) so that they meet the product specification outlined (1); producing quality (1); meeting delivery schedules (1).</p>	[2]
(ii)	<p>Identify and explain one way in which each of the following functional areas can support the Marketing and Sales functional area with this research.</p> <p>Administration and ICT:</p> <p><i>One mark for correct identification plus an additional one mark for explanation.</i></p> <p>Possible responses may include: administration can provide clerical support (1) in terms of organising meetings (1), making sure that materials are produced on time (1); producing documents (1).</p>	[2]
(f)	<p>Identify and explain one reason why the support of the Finance functional area should be obtained before this research is undertaken.</p> <p><i>One mark for correct identification plus up to a further one mark for explanation.</i></p> <p>Possible responses may include: without Finance support, there might not be enough funding (1) for the project, this may mean that the business will not be able to improve in all areas they wish to (1) this could have a long term effect on the future of the business (1).</p>	[3]

Question Number	Answer	Max Mark
2(a) (i)	<p>Suggest three additional questions which could be included as part of this questionnaire.</p> <p><i>One mark for each correct identification up to a maximum of three identifications.</i></p> <p>Possible responses may include:</p> <ul style="list-style-type: none"> • what do you think of the quality of food (1); • what age group are you in (1); • how accessible is the restaurant to you (1); • what do you think of our prices (1). 	[3]
(ii)	<p>Identify two pieces of information which would be useful to the respondents which are not currently included in the questionnaire.</p> <p><i>One mark for each correct identification up to a maximum of two identifications.</i></p> <p>Possible responses may include:</p> <ul style="list-style-type: none"> • return address (1); • what restaurant is the questionnaire referring to (1); • return by date (1). 	[2]
(b) (i)	<p>Suggest two other types of market research, other than a postal questionnaire, which Quickburger Ltd could use.</p> <p><i>One mark for correct identification up to a maximum of two identifications.</i></p> <p>Possible responses may include:</p> <ul style="list-style-type: none"> • focus group (1); • telephone survey (1); • face-to-face survey (1). 	[2]
(ii)	<p>Identify and explain two benefits of one of the types of market research identified in part (b)(i) to Quickburger Ltd.</p> <p><i>One mark for each correct identification up to a maximum of two identifications plus an additional one mark for each of two explanations.</i></p> <p>Possible responses may include:</p> <p>Chosen type of market research: Telephone survey:</p> <ul style="list-style-type: none"> • higher return rate (1) because return rate on postal survey is less than 10% (1); • immediate results (1); • can explain questions (1). 	[4]

Question Number	Answer	Max Mark
(c)	<p>Discuss how the results of market research could improve the future performance of Quickburger Ltd</p> <p>Level 4 [9-10 marks] Candidate evaluates ways in which results of market research could improve the future performance of Quickburger Ltd.</p> <p>Level 3: (7-8 marks) Candidate analyses ways in which results of market research could improve the future performance of Quickburger Ltd.</p> <p>Level 2 [4-6 marks] Candidate applies knowledge of how results of market research could improve the future performance of Quickburger Ltd.</p> <p>Level 1 [1-3 marks] Candidate identifies ways in which results of market research could improve the future performance of Quickburger Ltd.</p> <p>0 marks = no response or response does not address the question.</p> <p>Market research gives Quickburger Ltd an understanding of its current position and feelings of its customers. It could also provide information on competitor activity. All of this information allows Quickburger Ltd to review current procedures and practices in its restaurants. Quickburger Ltd can, as a result of the market research, look to improve its current business practices. These improvements could happen in a variety of ways and Quickburger Ltd would be seen to be showing they listened to the needs of their customers. This will secure the future of Quickburger Ltd in the long term with increased customers, increased sales and ultimately bigger profits. This would be considered to be a Level 4 response.</p>	[10]

Question Number	Answer	Max Mark																																									
3(a)	<p>Complete the following Profit and Loss statement by:</p> <ul style="list-style-type: none">• completing the missing headings indicated as (i) and (ii);• filling in all empty boxes. <p>One mark for each correct identification up to a maximum of seven identifications.</p> <table><tr><td></td><td>£</td><td>£</td><td></td></tr><tr><td>Revenue</td><td></td><td>354 000</td><td rowspan="2">1</td></tr><tr><td><u>Cost of sales</u></td><td></td><td>54 000</td></tr><tr><td>(1)</td><td></td><td>300 000</td><td>1</td></tr><tr><td>Gross profit</td><td></td><td></td><td></td></tr><tr><td>Wages</td><td>156 000</td><td></td><td rowspan="3">1</td></tr><tr><td>Overheads</td><td>120 000</td><td></td></tr><tr><td>Repairs and maintenance</td><td>6 600</td><td></td></tr><tr><td><u>Total Expenses</u></td><td></td><td>282 600</td><td>1</td></tr><tr><td>(1)</td><td></td><td></td><td></td></tr><tr><td>Net profit</td><td></td><td>17 400</td><td>1</td></tr></table>		£	£		Revenue		354 000	1	<u>Cost of sales</u>		54 000	(1)		300 000	1	Gross profit				Wages	156 000		1	Overheads	120 000		Repairs and maintenance	6 600		<u>Total Expenses</u>		282 600	1	(1)				Net profit		17 400	1	[7]
	£	£																																									
Revenue		354 000	1																																								
<u>Cost of sales</u>		54 000																																									
(1)		300 000	1																																								
Gross profit																																											
Wages	156 000		1																																								
Overheads	120 000																																										
Repairs and maintenance	6 600																																										
<u>Total Expenses</u>		282 600	1																																								
(1)																																											
Net profit		17 400	1																																								
(b)	<p>Complete the following cash-flow for Quickburger Ltd, for the period January – March 2010.</p> <p>One mark for each correct identification up to a maximum of three identifications.</p> <p>Jan – ingredients £4500 (1); Feb – opening bal £18450 (1); Mar – closing bal £34350 (1).</p>	[3]																																									
(c)	<p>A cash-flow forecast would be helpful to the chief executive of Quickburger Ltd in deciding whether or not to expand the business. Discuss the usefulness of a cash-flow forecast in helping the chief executive to make this decision.</p> <p>Level 4 [9-10 marks] Candidate evaluates the usefulness of a cash-flow forecast.</p> <p>Level 3 [7-8 marks] Candidate analyses the usefulness of a cash-flow forecast.</p> <p>Level 2 [4-6 marks] Candidate applies knowledge and understanding to show how a cash-flow forecast could be used by Quickburger Ltd.</p>	[10]																																									

Question Number	Answer	Max Mark
	<p>Level 1 [1-3 marks] Candidate identifies ways in which a cash-flow forecast could be used by Quickburger Ltd or shows knowledge of a cash-flow forecast. 0 marks = no response or response does not address the question. A cash-flow forecast shows the inflows and outflows, opening and closing balances. If the opening/closing balances are positive, they will be able to afford to afford the expansion. However, cash-flow forecasts are only estimates, other factors need to be taken into account. A cash-flow forecast will not be a good decision tool in the face of an unpredictable event. It is only useful if the estimates are accurate. This would be considered to be a Level 4 response.</p> <p>Possible lines of argument may include: not useful because forecast; depends on reliability of data; external influences may impact; looks only at cash – does not take into account profit or loss.</p> <p>4(a) State two other examples of information that Quickburger Ltd could provide for its customers. <i>One mark for each correct identification up to a maximum of two identifications.</i> Possible responses may include:</p> <ul style="list-style-type: none"> • nutritional information (1); • ingredients used (1); • complaints procedures (1). <p>(b) You have been asked by your manager to identify four ways in which it is possible to improve the customer service in a business such as Quickburger Ltd. Complete the diagram below. <i>One mark for each correct identification up to a maximum of four identifications.</i> Possible responses may include:</p> <ul style="list-style-type: none"> • car park (1); • baby changing facilities (1); • refund/exchange policy (1); • free ketchup/condiment (1); • napkins (1); • straws (1). <p>(c)(i) For each customer complaint listed below, other than offering an apology, state how you would deal with the customer as the customer service manager at Quickburger Ltd. Customer finds a hair in a burger. <i>For one mark.</i> Possible responses may include: Replace burger (1) or give refund (1).</p>	<p>[2]</p> <p>[4]</p> <p>[1]</p>

Question Number	Answer	Max Mark
(ii)	<p>For each customer complaint listed below, other than offering an apology, state how you would deal with the customer as the customer service manager at Quickburger Ltd.</p> <p>Customer complains about the long queues in a Quickburger restaurant.</p> <p><i>For one mark.</i></p> <p>Possible responses may include:</p> <p>Take their orders for them (1).</p>	[1]
(iii)	<p>For each customer complaint listed below, other than offering an apology, state how you would deal with the customer as the customer service manager at Quickburger Ltd.</p> <p>Customer sends in a written complaint about the quality of service in a Quickburger restaurant.</p> <p><i>For one mark.</i></p> <p>Possible responses may include:</p> <p>write a letter (1) and offer free vouchers (1).</p>	[1]
(d)*	<p>If Quickburger Ltd fails to meet customer expectations, discuss the consequences that this might have on a business.</p> <p>This question will be assessing QWC. See instructions at front of mark scheme.</p> <p>Level 4 [9-10 marks]</p> <p>Candidate evaluates consequences to business.</p> <p>Level 3 [7-8 marks]</p> <p>Candidate analyses consequences for business.</p> <p>Level 2 [4-6 marks]</p> <p>Candidate applies knowledge and understanding to show consequences for business.</p> <p>Level 1 [1-3 marks]</p> <p>Candidate identifies consequences to business and shows knowledge of what customer expectations are.</p> <p>0 marks = no response or response does not address the question.</p> <p>Poor customer service leads to customers complaining. This could be about a range of issues connected with the business. If a customer is dissatisfied he/she may not return to the business/tell friends which will result in a poor reputation for the business. This is likely to lead to lack of repeat/new customer, lower sales and falling profits. In the short term the business may look to resolve this by improving customer service such as better staff training but in the long term if this issue is ignored it will have an adverse effect. This would be considered to be a Level 4 response.</p> <p>Possible lines of argument may include:</p> <p>why is customer dissatisfied?;</p> <p>what is the impact of this on the business both day-to day and longer term?;</p> <p>how can the business address this – short term/long term?;</p> <p>impact of no improvement.</p>	[10]
Paper Total		[80]

Assessment Objectives Grid

Question	AO1	AO2	AO3	Total
1(a)(i)	1			1
1(a)(ii)	1			1
1(a)(iii)	1			1
1(b)	1			1
1(c)(i)	1			1
1(c)(ii)	4			4
1(d)		4		4
1(e)(i)	1	1		2
1(e)(ii)	1	1		2
1(f)	1	2		3
2(a)(i)	3			3
2(a)(ii)		2		2
2(b)(i)	2			2
2(b)(ii)	2	2		4
2(c)	3	3	4	10
3(a)	2	5		7
3(b)		3		3
3(c)	3	3	4	10
4(a)		2		2
4(b)	4			4
4(c)(i)		1		1
4(c)(ii)		1		1
4(c)(iii)		1		1
4(d)*	3	3	4	10
Actual	34	34	12	80

* = This question includes the assessment of quality of written communication.